

IN THE UNITED STATES DISTRICT COURT FOR
THE EASTERN DISTRICT OF VIRGINIA

Alexandria Division

27 2015
CLERK, U.S. DISTRICT COURT
ALEXANDRIA, VIRGINIA

UNITED STATES OF AMERICA

v.

AMIT CHAUDHRY,
a/k/a: "Rajan Verma,"
a/k/a: "Greg,"
a/k/a: "John King,"
a/k/a: "Sachin Sinha,"
a/k/a: "Indrajit Chaudhri,"
a/k/a: "Amit Kumar,"

Defendant.

Case No. 1:15-MJ-442

Under Seal

**AFFIDAVIT IN SUPPORT OF CRIMINAL COMPLAINT
AND ARREST WARRANT**

I, John Rushton, being first duly sworn, hereby depose and state as follows:

INTRODUCTION AND AGENT BACKGROUND

1. I am a Special Agent with the Federal Bureau of Investigation ("FBI") assigned to the Criminal Computer Intrusion Squad of the Washington Field Office. I have been employed by the FBI for twenty years. As a Special Agent of the FBI, I am authorized to investigate and focus on crimes involving computer intrusions, internet fraud, and identity theft. Throughout my FBI employment, I have received training in general law enforcement and in specialized areas including computer intrusion, internet fraud, identity theft, public corruption, government fraud and counterintelligence. I have participated in investigations of fraud and other financial crimes, including investigations involving violations of Title 18, United States Code, Sections 1030 (Computer Crime), 1341 (Mail Fraud), 1343 (Wire Fraud), 1344 (Bank Fraud), and 1349 (Conspiracy), 1956 (Money Laundering). As a Special Agent of the FBI, I am authorized to

investigate violations of the laws of the United States and to execute warrants issued under the authority of the United States.

2. This affidavit is based upon information from several sources, including my personal observations, information provided to me by other law enforcement agents and officers, witness interviews, a confidential informant (“CI”), a trash pull, documents and financial records provided by different entities and individuals, evidence obtained via search warrants including the search of an office suite used by members of the conspiracy in the Eastern District of Virginia, the search of images of electronic devices belonging to **AMIT CHAUDHRY**, and returns from email search warrants for different accounts used by members of the conspiracy to communicate and exchange information, publicly available information, a review of the FBI case file for one of the criminal entities associated with this conspiracy and related fraud schemes, Deutsche Group, and my training and experience. Because I am submitting this Affidavit for the limited purpose of obtaining a criminal complaint and arrest warrant, it does not set forth all the information known to the government as a result of the investigation.

1. This case is the result of a joint investigation by law enforcement officers with the Federal Bureau of Investigation (“FBI”), Internal Revenue Service – Criminal Investigation (“IRS-CI”), U.S. Postal Inspection Services (“USPIS”), U.S. Department of Homeland Security, Homeland Security Investigations (“DHS-HSI”) and U.S. Department of State, Bureau of Diplomatic Security (“DOS-DS”).

PURPOSE OF AFFIDAVIT

3. I make this affidavit in support of a criminal complaint charging **AMIT CHAUDHRY** (“**CHAUDHRY**”), who also goes by and uses multiple aliases, including RV, GREG, JOHN KING, SS, Amit Kumar, and IC, with conspiracy to commit money laundering, in

violation of Title 18, United States Code, Section 1956(h). This affidavit is also submitted in support of an arrest warrant for **CHAUDHRY**.

DEFINITIONS

4. A “merchant account” is a type of account that allows businesses to accept payment by payment cards, such as credit or debit cards or electronic check. Some companies that offer merchant accounts are Chase Paymentech, Vantiv-NPC, Authorize.net, American Express, First Data, and Square.

5. A “chargeback” is a return of funds to a consumer that is typically initiated by the financial institution used by the consumer to settle a debt, typically the consumer’s bank account, line of credit, or credit card. Chargebacks may be initiated by a consumer or financial institution, for example, when an unauthorized payment or debit has occurred due to theft of the consumer’s identity or financial information.

6. Personally identifiable information (“PII”) is information that can be used on its own or with other information to identify a person. As used herein, PII can include a person’s full name, home address, Social Security number, Passport number, driver’s license, credit card number(s), and date of birth.

SUMMARY

7. From on or about at least 2012 through present, in the Eastern District of Virginia and elsewhere, the defendant, **AMIT CHAUDHRY**, did knowingly combine, conspire, and agree with other persons known and unknown to the investigation, including AJ, MJ, SJ, SJH, and TJH, to commit offenses against the United States in violation of Title 18, United States Code, Section 1956(h), to wit:

- a. to knowingly conduct and attempt to conduct financial transactions affecting interstate commerce and foreign commerce, which transactions involved the proceeds of specified unlawful activity, that is, wire fraud, knowing that the transactions were designed in whole or in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, and that while conducting and attempting to conduct such financial transactions, knew that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i); and
- b. to transport, transmit and transfer and attempt to transport, transmit and transfer a monetary instrument and funds from a place in the United States to and through a place outside the United States with the intent to promote the carrying on of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(2)(A); and
- c. to transport, transmit, and transfer, and attempt to transport, transmit, and transfer a monetary instrument or funds involving the proceeds of specified unlawful activity, that is, wire fraud, from a place in the United States to or through a place outside the United States, knowing that the funds involved in the transportation, transmission, and transfer represented the proceeds of some form of unlawful activity and knowing that such transportation, transmission, and transfer was designed in whole or in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(2)(B)(i).

8. The manner and means used to accomplish the objectives of the conspiracy included, among others, the following:

- a. Obtain the PII of real persons, including their names, dates of birth, and Social Security numbers, often using false and fraudulent pretenses, such as through fake job advertisements or through fake websites that purported to sell goods and services, such as cheap airline tickets;
- b. Use the PII of real persons to create false and fraudulent identification documents and instruments, including ones that purported to be lawfully-issued U.S. passports and driver's licenses;
- c. Use the PII of real persons, often without their permission or knowledge, to create shell corporations, open bank accounts, register email addresses, and apply for merchant processing accounts in the United States;
- d. Have members of the conspiracy carry out acts in furtherance of the conspiracy, using aliases based on the PII of real persons, facilitated in part through false and fraudulent identification documents and instruments, including U.S. passports and driver's licenses;
- e. Obtain credit cards or credit card information, often without the cardholder's permission or knowledge, including credit card numbers, expiration dates, cardholder names and other information necessary to charge those credit cards;
- f. Use the credit card information to make unauthorized charges to the credit cards, including by and through the merchant processing accounts held in the name of the shell corporations;

- g. Create and provide fraudulent invoices requesting payment for services that were never rendered or provided or for the purpose of substantiating unauthorized charges to stolen credit cards;
- h. Transfer the illegal proceeds derived from the unauthorized credit card charges and fraudulent invoicing to accounts owned and/or controlled by members of the conspiracy, including accounts held in the name of the shell corporations;
- i. Distribute the illegal proceeds from the conspiracy by and through aliases and shell corporations so as to conceal and disguise the nature, source, and ownership of the illegal proceeds;
- j. Make structured cash withdrawals of illegal proceeds from accounts owned and/or controlled by members of the conspiracy in order to avoid currency reporting requirements;
- k. Electronically transfer or transmit illegal proceeds from places within the United States to places outside the United States, including to India, to promote the conspiracy and the fraud, such as by compensating members of the conspiracy;
- l. Electronically transfer or transmit illegal proceeds, including the cash obtained through structured withdrawals, from places within the United States to places outside the United States, including to India, to conceal and disguise the nature, location, source, ownership, and control of the proceeds of fraud.
- m. Use wires, signals and sounds, including emails, text messages, and phone calls, to communicate, share information, and provide instructions among members of the conspiracy.

All in violation of Title 18, United States Code, Section 1956(h).

CONSPIRACY PARTICIPANTS AND ENTITIES

9. AJ is an Indian national who resides in New Delhi, India. AJ uses multiple aliases, including Abby Johnson, Abby Joshi and Abhinav Tandon. AJ has never lived in or visited the United States. AJ's immediate family, including SJ and MJ, also reside in New Delhi, India. AJ has estimated his net worth to be over \$1.6 million U.S. dollars, and as part of an application for a visitor visa to the United States, recently provided a bank deposit receipt from January 2015 showing liquid assets of 5 crore Indian rupees in Sanmitra Sahakari Bank Maryadit ("SS Bank"), which is equal to approximately \$750,000 in U.S. dollars. AJ is not known to have assets in the United States aside from illegal proceeds or assets obtained with illegal proceeds, from the conspiracy and fraud schemes. AJ is not known to have any lawful employment or sources of income; rather, the investigation has revealed that AJ's sources of income are the conspiracy and related fraud schemes.

10. SJ is an Indian national who resides in New Delhi, India. SJ is AJ's mother, CHAUDHRY's sister, and a member of the conspiracy. SJ has made payments of illegal proceeds to members of the conspiracy in India and has received illegal proceeds sent from in the United States to India. DA, a close friend and associate of SJ, created shell corporations in Virginia and New York as part of and in furtherance of the conspiracy and fraudulent scheme. These shell corporations included Electronica, Inc. and Great Prices Inc., Virginia corporations created in 2013. A bank deposit receipt from January 2015 for SS Bank shows SJ as having liquid assets of 5 crore Indian rupees, which is equal to approximately \$750,000 in U.S. dollars. A deposit receipt from January 2015 for SJ's husband shows liquid assets of 10 crore Indian rupees, which is equal to approximately \$1.5 million in U.S. dollars. SJ is not known to have

any lawful employment or sources of income; rather, the investigation indicates that SJ's sources of income are the conspiracy and related fraudulent schemes.

11. Deutche Group is the term used by members of the conspiracy to describe the overarching enterprise and entity by and through which the conspiracy and fraud operates. Deutche Group has operations in the United States, the United Kingdom, Thailand, and India. These operations are primarily carried out by and through different corporate shells. AJ with the assistance of SJ, is the founder and chairman of Deutche Group. The conspiracy and related fraud schemes are coordinated in part out of a property known as Hotel Excel Inn in New Delhi, India. The investigation has revealed that AJ, MJ, SJ and **CHAUDHRY** are all involved in overseeing, coordinating and directing members of the conspiracy who are based in India or the United States, including members of the conspiracy who operate out of Hotel Excel Inn which, by all appearances and based on my investigation, is not in fact a hotel but rather a base of operations or similar to a "boiler room"¹ for AJ, MJ, SJ and other members of the conspiracy and fraud schemes. For example, SJ and MJ are involved in overseeing the day-to-day operations of the conspiracy, including monitoring and assuring that lower-level members are making the desired volume of unauthorized charges to stolen credit cards per day, using merchant accounts in the name for shell corporations. To the extent that certain aspects of the conspiracy and fraudulent schemes are occurring in more than one location, such as India and the United States, my investigation has revealed that AJ and other members of the conspiracy typically cause the creation of shell corporations with the same or similar names: For example, two of the shell

¹ A boiler room is commonly understood to be a center of operations that sells questionable items, typically reaching or contacting purchasers remotely, such as by telephone or other electronic means. Boiler rooms are also associated with having an undisclosed relationship or profit motive for promoting whatever is being sold.

corporations in India associated with conspiracy and fraud schemes are Trip Arena Travel Services Private Limited, and Deutche and Karlo Travel Services; in the United States, two of the shell corporations associated with the conspiracy and fraud schemes are Trip Arena, Inc., and Deutche Group, Inc., which are both Virginia Corporations. Similarly, in India the conspiracy and related fraud schemes are operated at least in part out of Hotel Excel Inn. In the United States, AJ created shell corporations Hotel Excel Inn Inc. and Hotel Exxcel Inn Inc. in Virginia, for use by the conspiracy and related fraud schemes. The incorporation was filed under an account with the Virginia State Corporation Commission in the name of "Abby Johnson" and paid for with a Visa card in the name of "Abby Joshi." Both of these names are known aliases for AJ.

12. Traveporro Travel Services Private Limited ("Traveporro"), which is part of Deutche Group and the conspiracy, is an Indian company that purports to provide its customers with access to low cost airline tickets and hotel reservations, in part through different online booking platforms. The directors of Traveporro are AJ and SJ. Outside of India, Traveporro has operations under different names in the United States, the United Kingdom and Thailand, including Trip Arena, Flight Fiesta, Air Ticket Trolley, and The World Wide Travel. For example, Trip Arena has a website, triarenaonline.com, which purports to allow individuals to book "Cheap International Air Tickets." Trip Arena and the other websites are promoted in part through online advertisements including YouTube videos and Facebook posts. To book travel through the websites or with members of the conspiracy that hold themselves out as travel agents, customers provide their credit card numbers or transfer money for the travel itinerary into bank accounts that members of the conspiracy own and/or control. The money paid by the customers, however, is not used to purchase their travel itineraries; rather, customers' travel

itineraries are booked using stolen credit cards and are often cancelled by the airline or hotel before the customers can use it, when the unauthorized charges are discovered and reversed. Customers are usually not able to recover their money, because members of the conspiracy have already withdrawn the funds and/or transferred them to other accounts.

13. SMC Bank, which is also known as Sanmitra Cooperative Bank Limited, is a bank located in Mumbai, India. SMC Bank is controlled by members of the conspiracy, including AJ and **CHAUDHRY**, and is being used to receive and hold illegal proceeds from the conspiracy and related fraud schemes. AJ, MJ and SJ are on the board of directors for SMC Bank. In October 2014, AJ was communicating with representatives of Visa in India about SMC Bank applying for and becoming a participant in the Visa network, pursuant to which SMC Bank could then provide services connected to the Visa network including the issuing and servicing of Visa credit cards as well as issuing and servicing merchant accounts. In communications with Visa employees, AJ stated that SMC Bank wished to cater to merchants in Mumbai and offer e-commerce and point of sale (“POS”) network-based solutions, doing all settlements through SMC Bank. Based on other information obtained in this investigation, it is believed that AJ and other members of the conspiracy intend to use SMC Bank to further the conspiracy and related fraud schemes. If SMC Bank successfully joins the Visa network, AJ and other members could cause the creation of merchant accounts with reduced scrutiny or potential detection by third parties, namely, the merchant account servicing company. Merchant accounts approved and serviced by SMC Bank could greatly facilitate and enable the conspiracy and related fraud schemes because the individuals overseeing and approving the merchant accounts would be members of the conspiracy and complicit in the crimes; accordingly, there would be no risk that

SMC Bank would freeze the merchant accounts being used to make the unauthorized charges or otherwise alert the credit card companies of the unauthorized charges.

14. MJ is an Indian national who resides in New Delhi, India. MJ is AJ's brother and a member of the conspiracy. A bank deposit receipt from January 2015 for SS Bank shows liquid assets for MJ of 5 crore Indian rupees, which is equal to approximately \$750,000 in U.S. dollars. Aside from managing a nightclub in Hotel Excel Inn, MJ is not known to have any lawful employment or sources of income; rather, the investigation indicates that MJ's sources of income are the conspiracy and related fraudulent schemes. MJ assists AJ with the operations of Travelporro, including its operations by and through Trip Arena. Like AJ, MJ obtains stolen credit card information from other members of the conspiracy, some of whom steal the information from where they work. MJ directs and oversees the making of unauthorized charges to those stolen credit cards.

15. **CHAUDHRY** is an Indian national who became a naturalized U.S. citizen. **CHAUDHRY** is related to AJ, SJ and MJ. **CHAUDHRY**, along with AJ, SJ and MJ, is involved in recruiting, teaching, coordinating and directing members of the conspiracy who carry out tasks in furtherance of the conspiracy and related fraud schemes. For example, **CHAUDHRY** and AJ receive copies of documents used to create the shell corporations and open the merchant accounts. **CHAUDHRY** and/or AJ would receive evidence that withdrawals, deposits or transfers of illegal proceeds from the fraud schemes had occurred; for example, returns from the email search warrants and other evidence gathered during the investigation show that copies of Western Union or MoneyGram receipts, as well as bank deposit or withdrawal slips, were sent to **CHAUDHRY** and/or AJ electronically. Some of these receipts

correspond to transfers of illegal proceeds from inside the United States to designated recipients outside the United States.

16. IC is an Indian national and the father of **CHAUDHRY**. IC died in or about February 2013. After IC's death, **CHAUDHRY** has used IC's name and other PII as an alias in furtherance of the conspiracy and related fraud schemes, including controlling and using an email account, credit card, bank accounts, and Western Union account in IC's name. For example, a review of bank records for IC's account at BB&T (x0936) shows deposits and withdrawals after IC's death.

17. RV is an Indian national. **CHAUDHRY** has used RV's name and other PII as an alias in furtherance of the conspiracy and related fraud schemes, such as to rent a townhouse in the Eastern District of Virginia out of which the conspiracy and related fraud schemes were operated, at least in part.

18. TJH is an Indian national who has no legal status to remain in the United States. TJH currently resides in Stockbridge, GA. TJH is the son of SJH. Since at least 2012, TJH has been a member of the conspiracy and related fraud schemes. Specifically, TJH has assisted with creating shell corporations in Virginia and Georgia, opening bank accounts in the name of those shell corporations, and transmitting from locations inside the United States to locations outside of the United States, including to AJ, MJ and SJ. TJH has also picked up replacement credit cards that were issued and sent to different locations, including hotels, without the true cardholder's permission or knowledge. When picking up these credit cards, TJH would often use an alias and present a false and fraudulent identification document, such as a driver's license, in the name of that alias.

19. SJH is an Indian national who has no legal status to work in the United States and is in removal proceedings. Since at least 2012, SJH has been a member of the conspiracy and related fraud schemes. Specifically, SJH has assisted with creating shell corporations in Virginia, Georgia, New Jersey and Tennessee, opening bank accounts in the name of those shell corporations, and transmitting illegal proceeds from locations inside the United States to locations outside of the United States, including to AJ, MJ and SJ.

20. CM is an Indian national who resides in New Delhi, India. From at least 2012 through 2014, CM was an employee of Credit Card Company 1 who had access to information about Credit Card Company 1's accountholders. As part of and in furtherance of the conspiracy, CM would provide information about these accountholders, including credit card numbers, cardholder names, expiration dates, and security codes. CM would obtain this information without the permission or authorization of Credit Card Company 1. Other members of the conspiracy would then use this information to make unauthorized charges to these credit cards.

21. From at least 2012 through 2013, a member of the conspiracy assisted with Deutsche Group's operations in the United States, in part by running a Virginia Corporation called Deutsche Group Inc. ("Virginia Deutsche Group"). For example, in order to obtain names and other PII that could be used to create shell corporations, and open bank and merchant accounts in furtherance of the scheme, the Virginia Deutsche Group posted job advertisements online and invited applicants for interviews. The PII provided by applicants during the interview were then used in furtherance of the conspiracy and related fraud schemes. These applicants were then interviewed by that member of the conspiracy, who transmitted their names and other PII to AJ.

22. In addition to the individuals named herein, the investigation has identified other individuals who have assisted with the creation of shell corporations, opening of bank and merchant accounts, and transmission of illegal proceeds from the conspiracy and related fraud scheme from inside the United States to locations outside the United States. To date, the investigation has identified numerous shell corporations that are part of the conspiracy and fraudulent scheme, including corporations established under the laws of Virginia, Georgia, New Jersey, New York, Oregon and Tennessee.

PROBABLE CAUSE

Some Sources of Information

23. One of the sources of information contained in this Affidavit was confidential informant (“CI”). CI-1 has been a member of the conspiracy and related fraud schemes since at least 2012. When initially interviewed by law enforcement during a consensual, non-custodial interview, CI-1 denied his involvement in the conspiracy and related fraud schemes and provided false information. In early 2015, CI-1 voluntarily approached law enforcement and offered to provide truthful information about the conspiracy and related fraud schemes. Before providing this information, CI-1 was advised that he was a target of this investigation and that he would be criminally prosecuted for his involvement. Since coming forward voluntarily in 2015 and agreeing to provide information, CI-1 has provided information that has been independently verified and corroborated through other sources, including documentary evidence and witness interviews. According to CI-1, CI-1 and members of CI-1’s family have been threatened with physical harm by members of the conspiracy, including **CHAUDHRY**, AJ and SJ. CI-1 claims to have been physically harmed by MJ for failing to follow AJ’s directions as to the conspiracy and related fraud schemes.

24. In August 2015, trash discarded from **CHAUDHRY**'s residence, 44193 Navajo Drive, in Ashburn, Virginia was obtained from the waste removal company after **CHAUDHRY** had discarded it. The contents of the trash were examined by law enforcement officers.

25. Records were obtained from different financial institutions, as well as from the States of Virginia, New Jersey, Georgia and Tennessee for different shell corporations used as part of and in furtherance of the fraud.

26. A search warrant was conducted in November 2012 at the offices of the Virginia Deutche Group, which was located at 722 Grant Street, Unit G, in Herndon, Virginia. These offices are located in the Eastern District of Virginia.

27. Search warrants have been conducted to obtain the contents of different email accounts used as part of and in furtherance of the conspiracy and related fraud schemes. One of these email accounts was chairmain@deutchegroup.com, which was used by AJ to communicate with other members of the conspiracy, including **CHAUDHRY**, MJ, SJH, and TJH.

Virginia Deutche Group Scheme

28. From 2012 through at least 2013, the Virginia Deutche Group purported to recruit, interview, and hire employees.

29. The Virginia Deutche Group advertised jobs online, including through craigslist.org and through its website, deutchegroup.com. Some individuals who responded to the advertisements were invited to come in for an interview.

30. During the interview, the applicant was asked to fill out a "Personal Information and Consent Form." This form required the applicant to provide their address, driver's license, Social Security number and date of birth. Photocopies were also typically made of the individual's driver's license and/or passport.

31. Some individuals were hired by the Virginia Deutche Group. These individuals were told that they were now in charge of actual businesses, which were subsidiaries of the Virginia Deutche Group. These subsidiary businesses were in fact shell corporations. Some of the shell corporations were J. Lewis, Inc. and The Recession Store.

32. For example, in June 2012, SM responded to an advertisement on craigslist.org for what SM was told was a “processor” position with the Virginia Deutche Group. SM was interviewed by a member of the conspiracy. SM provided SM’s PII during the interview and was told that, if hired, SM would be working with a subsidiary business of Deutche Group called The Recession Store.

33. SM was hired. After being hired, SM was told to open bank accounts in SM’s name and inquire about merchant accounts on behalf of The Recession Store. SM was told to have the applications for these merchant accounts forwarded to an email account to which SM did not have access.

34. Without SM’s knowledge or consent, several different merchant account applications were completed and submitted using SM’s PII and with a forged signature. These merchant account applications were approved, and used to make unauthorized charges to numerous credit cards, without the knowledge or consent of the credit card accountholders. One of the approved merchant accounts was with Global Payments (x1167) in the name of The Recession Store. Proceeds from this merchant account were deposited into a TD Bank account (x5125). Chargebacks to this merchant account resulted in it having a negative balance of over \$14,000. At times, SM was instructed to and did withdraw money from the bank accounts created in SM’s name.

35. Another shell corporation that arose from the Virginia Deutche Group scheme is J. Lewis, Inc. In November 2012, SW was interviewed for a position at the Virginia Deutche Group in the Eastern District of Virginia and provided SW's PII, driver's license and passport. SW was never "hired" by the Virginia Deutche Group.

36. Without SW's knowledge or consent, a Virginia corporation called J. Lewis, Inc. was created and a merchant account with American Express was opened using SW's name and other PII. The American Express merchant account (x4747) was used to make unauthorized charges to numerous credit cards, without the knowledge or consent of the credit card accountholders. The illegal proceeds from the American Express account (x4747) for J. Lewis, Inc. were deposited into bank accounts with Fulton Bank and First Citizens and then removed using cash withdrawals. Over \$200,000 in fraudulent charges were processed using this American Express account.

37. **CHAUDHRY** directed a member of the conspiracy to deposit some of the illegal proceeds from the fraudulent credit card charges into a Wells Fargo bank account in the name of another shell corporation, Data Never Lost LLC that was and is owned and controlled by **CHAUDHRY**.

38. My investigation has revealed much, if not all, of the stolen credit card information was provided by members of the conspiracy in India, who were under the direction and supervision of AJ, MJ and SJ. Because the members of the conspiracy use virtual terminals to make unauthorized charges to the accounts, it is not necessary to physically possess the stolen credit cards in order to make fraudulent charges.

39. At the direction of AJ and other members of the conspiracy, including **CHAUDHRY**, SJH and TJH created shell corporations in Georgia as part of and in furtherance of the conspiracy and fraud schemes.

40. For example, SJH is listed as the incorporator for Education Development Center, a corporation organized under the laws of Georgia in July 2013. MN, a real person, is listed as the CEO, CFO and Secretary of Education Development Center. The email contact information is chairman@deutcheigroup.com, which is used and controlled by AJ.

41. My investigation has revealed that a member of the conspiracy provided AJ with a background and credit report on MN, which AJ in turn provided to **CHAUDHRY**. My investigation has revealed that AJ and other members of the conspiracy often ran credit reports and background checks to determine whether an individual whose name and other PII that they were considering using to establish a shell corporation was likely to qualify for merchant accounts; during the application process, underwriters consider the creditworthiness and credit history of the applicant.

42. MN's name and other PII was used without her permission to create Education Development Center Inc. in Georgia. Another shell company with the same name, Education Development Center Inc., was also created under the laws of Oregon using MN's name and other PII. MN's name and other PII were also used to apply for multiple merchant accounts, including with Authorize.net, ChasePaymentech, Vantiv-NPC, and ACH Direct/Forte. A statement for one of these merchant accounts received in September 2013 showed a total of \$1,370 in charges made to different credit cards.

43. In July 2013, the filing fee for Education Development Center, Inc. in the state of Georgia was paid with a Visa credit card in the name of LP, with a billing address in Florida.

The payment contact is listed as SJH. This charge was subsequently disputed and the money refunded to the cardholder.

44. On August 2, 2013, the annual filing for Education Development Center Inc. listed the CEO, CFO, Secretary and Agent as TJH. At the time, a \$50 payment was made using a Visa credit card in the name of HK, with a billing address in Texas. This charge was subsequently disputed and the money refunded to the cardholder. The billing contact was listed as SJH.

45. On September 5, 2013, the registered CEO, CFO, Secretary and Agent for Education Development Center Inc. in Georgia was changed from TJH to MN. At the time, a \$50 payment was made using a Visa credit card in the name of BA, with a billing address in California. This charge was subsequently disputed and the money refunded to the cardholder. The billing contact was listed as SJH.

46. A public records search has identified additional corporations for which TJH and SJH are listed as officers. For example, the shell corporations Optical Planet, Inc. and Pacific Education Center, Inc. are two Georgia corporations that were created on September 10, 2013. Both list NJH, TJH's mother and SJH's wife, as the incorporator. TJH is listed as the CEO of both shell corporations and SJH is listed as the CFO and Secretary of both corporations. The email contact for both corporations is chairman@deutcheigroup.com. On September 18, 2013, the annual registration fee for both companies was paid with the same Visa credit card in the name of JR with a billing address in Ohio.

47. Based on the billing information and reversed charges for some of the Georgia corporations, I believe that stolen credit card information provided by members of the conspiracy was used to make the payments for these and other shell corporations created by SJH and TJH.

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Travelporro Scheme

48. Since at least 2013, websites such as Triparenaweb.com and Flycheap.com have been created by a member of the conspiracy as part of and in furtherance of the conspiracy and related fraud schemes. The design of these websites was supervised by members of the conspiracy, including AJ and **CHAUDHRY**.

49. These websites, such as Triparenaweb.com, purported to offer customers an opportunity to purchase cheap airline tickets and hotels online or through purported travel agents. These websites are advertised online, including through YouTube videos and Facebook posts.

50. For example on Triparenaweb.com, customers were able to fill out an online booking form. In many instances, they were then contacted by a member of the conspiracy, who would hold himself out as a travel agent for the website in question, such as Triparenaweb.com. As part of the booking process, customers were asked to provide their PII and payment information. In some instances, customers were asked to provide their credit card information; in other instances, customers were instructed to make electronic transfers, wires or deposits into bank accounts owned or controlled by members of the conspiracy. The money paid by customers, either by providing credit card information or through a transfer of funds, was not used to purchase the airline ticket or hotel that the customer was led to believe was booked through the website or by the travel agent. The customer's itinerary would be paid for using a stolen credit card obtained by other members of the conspiracy, including CM, MJ and AJ. Often the customer would not get to use all, or even part, of the itinerary, because the itinerary would be canceled when the unauthorized charge to the stolen credit card was discovered and then reversed.

51. AJ and MJ obtained ~~stolen~~ credit card information from other members of the conspiracy to further the conspiracy and fraud. This information is typically passed on to other members of the conspiracy who make the travel bookings in Excel spreadsheets. The individual who provided the stolen credit card information is sometimes identified in the file name for the spreadsheet. For example, one spreadsheet is titled "From Monty" was found among the records in the returns from the email search warrants. Monty is another name used by MJ.

52. Depending on when the fraudulent charges were discovered on the stolen credit cards, these charges would be reversed and cause the cancellation of the itinerary. In some instances, customers only realized that their travel itinerary had been canceled when they attempted to use the ticket.

53. For example, in January 2014, JK used Triparenonline.com to purchase tickets from San Francisco, California (SFO) to Singapore. At the direction of SJH, JK wired approximately \$7,800 for the tickets into a Bank of America account (x9530) in TJH's name. The day after the money was wired by JK, there was a \$7,500 cash withdrawal from that Bank of America account (x9530). This withdrawal was of illegal proceeds from the Travelporroto fraud scheme. A review of subsequent activity in that account indicates it was likely controlled by TJH, based on the nature of the expenditures. After receiving a confirmation email from triparenonline@gmail.com, JK requested additional information about the tickets in a series of emails. SJH and AJ responded to JK's requests for information. JK's tickets were purchased using stolen credit card information. When the charges to this stolen credit card were reversed, JK's tickets were cancelled.

54. A Virginia Corporation, Trip Arena Inc., was created in October 2013 TJH and lists its place of business as One West Court, Suite 750 in Decatur, Georgia. TJH is listed as the

incorporator and director for Trip Arena Inc. AJ forwarded the incorporation documents for Trip Arena Inc. to **CHAUDHRY**, TJH and SJH with instructions to use the tax identification number ("ID") for the opening of account x5402. The Decatur, Georgia address appears on the Trip Arena invoice that was sent to MJ by AJ, with instructions to collect the amount shown on the invoice.

55. AJ, SJ, SJH, TJH, and MJ are all active participants in the Travelporrt scheme. For example, AJ, SJH and TJH have held themselves out as travel agents and responded to inquiries by customers, who are led to believe that they have successfully booked and made travel reservations. TJH and SJH have also communicated with AJ and other members of the conspiracy regarding the purchase of tickets for customers using stolen credit cards. Upon being provided confirmation numbers, TJH or SJH would provide these confirmation details to the customer. AJ not only communicates with customers, he also coordinates and manages the creation of false and fraudulent documents that are used to confirm purchases with the stolen credit cards. These documents typically include a fake copy of the stolen credit card and a fake identification document, such as a U.S. Passport, that uses the name and PII of the accountholder for the stolen credit card.

56. MJ and AJ oversee and manage the collection of stolen credit card information that is used to purchase airline tickets and hotels reservations for customers. After receiving this information from members of the conspiracy, MJ and AJ then distribute it to other members of the conspiracy who hold themselves out as travel agents to customers and are responsible for booking the travel itineraries using the stolen credit card information.

57. For example, when purporting to act as a travel agent, SJH instructed customers to transfer funds to accounts that SJH or TJH owned and/or controlled, including Bank of

America account (x9530). In these interactions, SJH led the customer to believe that the monies paid to this account were being used to purchase the customer's ticket.

58. MJ has collected payments from customers, including bookings made through Triparenaonline.com. Search warrant returns for different email accounts used in the conspiracy and related fraud schemes show that to collect the payments, MJ was provided via email with copies of Trip Arena invoices and details as to when, where and from whom to pick up the payment. The address on the Trip Arena Invoices is the Decatur, Georgia address that AJ provided to TJH. These emails are typically forwarded to MJ from accounts controlled by AJ. According to CI-1, MJ is also responsible for sometimes picking up Western Union and MoneyGram payments sent by other members of the conspiracy, which is corroborated by Western Union records showing that MJ provided identification at locations in New Delhi, India to pick up wire transfers sent by known members of the conspiracy located in the United States.

Creation and Use of False and Fraudulent Identification Documents

59. A townhouse located at 22627 Upperville Heights, Ashburn, Virginia ("Upperville Heights") in the Eastern District of Virginia was used by **CHAUDHRY** and other members of the conspiracy from approximately October 2013 through September 2014 as part of and in furtherance of the conspiracy and fraud schemes. **CHAUDHRY** rented Upperville Heights using one of his aliases, RV, a real person. To hold himself out as RV, **CHAUDHRY** had false and fraudulent identification documents made, including a Virginia driver's license and U.S. passport in the name of RV. In October 2013, **CHAUDHRY** asked AJ to obtain a false and fraudulent driver's license in the name of RV. A copy of a fraudulent U.S. passport in the name of RV was provided as part of the rental application for Upperville Heights, which was provided by the real estate agent who helped negotiate the lease.

60. Upperville Heights was used as the address for shell corporations created as part of the conspiracy and to receive mailings associated with the scheme, including materials for merchant accounts established in the name of the shell corporations.

61. For example, the shell corporation Corporate IT Security Training, Inc., a Virginia Corporation, was created using the name and PII of RC, without her knowledge or consent. The Upperville Heights address was listed as Corporate IT Security Training, Inc.'s place of business and principal office. RC's PII was provided to **CHAUDHRY** electronically by AJ. RC's PII was used to open Vantiv-NPC merchant account (x2212), which was used to process numerous credit card transactions that were subsequently identified as fraudulent and reversed, causing a loss of \$5,484. Proceeds from this merchant account were deposited into a SunTrust bank account (x1993). My investigation has revealed that this account was opened in Georgia in or about May 2014 by SJH. Proceeds from the SunTrust account (x1993) controlled by SJH were forwarded to a Square merchant account in the name of another shell corporation, Training Partners LLC. The money was electronically transferred using Square, a merchant processing service, from SunTrust account (x1993) to BB&T account (x7376), which is controlled by **CHAUDHRY**. According to records received from Square, these transfers were initiated by an individual located at Upperville Heights. After the transfers, a check was written for approximately \$2,300 to pay the rent on Upperville Heights, which appears to have been signed by **CHAUDHRY**. The remaining fraud proceeds from the Vantiv-NPC (x2212) were transferred to a BB&T account (x7783) registered to Ria Chaudhry LLC, a shell corporation that bank records show was controlled by **CHAUDHRY**.

62. Training Partners LLC is another shell corporation that listed its place of business and principal office as Upperville Heights in documents filed with the Virginia State Corporation

Commission. SS is listed as the registered agent and owner of SS. SS is a former employee of the Knowledge Center, Inc., a company that provides IT training and computer certification courses and is owned by **CHAUDHRY**. In correspondence with other members of the conspiracy, including AJ, **CHAUDHRY** has used the alias SS. Payment records show that the paperwork for Training Partners LLC was filed electronically with the Virginia State Corporation Commission by **CHAUDHRY** and the filing fees were paid for with a Visa in the name of **CHAUDHRY**.

63. PM Training LLC is another shell corporation that listed its place of business and principal office as Upperville Heights in documents filed with the Virginia State Corporation Commission. As with Training Partners LLC, SS is listed as the registered agent and owner of SS. A merchant account with Vantiv-NPC (x3007) was applied for and opened in the name of PM Training LLC. The name and other PII for SS were used on the application. After the account was opened, Vantiv-NPC merchant account (x2212) was used to process numerous credit card transactions that were subsequently identified as fraudulent and reversed.

64. In response to chargebacks, members of the conspiracy, including **CHAUDHRY** and AJ, have caused the creation of false and fraudulent identification documents, such as U.S. passports, and fake images of the credit card that is the basis of the chargeback dispute. The image of the credit card and false identification documents were then submitted to the company holding the merchant account as purported evidence that the charge was legitimate and the chargeback should be denied. In some instances, false and fraudulent invoices were also included in the documentation disputing the chargeback. These invoices appear to be offered as evidence of the services or work provided by the shell corporation. Copies of emails transmitting these false and fraudulent invoices were included in email search warrant returns.

65. For example, in September 2013, in response to a chargeback submitted by American Express for PM Training LLC's merchant account, a false and fraudulent Australian passport in the name of NJ was submitted, along with a fake image of the American Express card (x6621) that was supposedly charged for a Project Management Training – PMP bootcamp provided by PM Training LLC. Two fake images of American Express card (x6621) with the name NJ were found on **CHAUDHRY**'s laptop, which was detained pursuant to the border search authority of U.S. Customs and Border Protection Officers (CBP) and special agents with DHS-HSI during a secondary inspection of **CHAUDHRY**. At the time, **CHAUDHRY** had not yet entered the United States and was seeking to enter the United States at Washington Dulles International Airport. According to flight records, **CHAUDHRY** was traveling from New Delhi, India. The computer in **CHAUDHRY**'s possession was subsequently imaged and a search warrant for the contents of **CHAUDHRY**'s laptop was issued by the Honorable U.S. Magistrate Judge Theresa C. Buchanan in May 2015.

66. In other instances, members of the conspiracy would create and electronically transmit (1) fake images of the stolen credit cards and (2) false and fraudulent identification documents for the holders of the stolen credit cards. These fraudulent items would be created and provided if requested by the hotels, airlines, and/or travel agencies used by the members of the conspiracy to make the travel bookings as part of the Travelporro scheme. In some instances, copies of the credit card used to pay for the booking and a photo identification of the cardholder was required to confirm the transaction and receive a confirmation number, which the members of the conspiracy would then send to customers in the Travelporro scheme as "proof" that their travel itinerary had been purchased.

67. For example, I have reviewed emails from an email search warrant return for a reservation in May 2014 to stay at the Eurostars Grand Marina hotel for SC, which was booked using a stolen credit card belonging to DK, a real person. In order to confirm the booking, a member of the conspiracy was asked to provide a copy of the credit card being used to pay for the hotel and a copy of the photo identification for the credit card accountholder. A false and fraudulent U.S. passport in the name of DK was created and electronically transmitted to the travel agent. This false and fraudulent U.S. passport used the name and PII of DK, had a false signature and picture of a different real person, not DK. The image on the false and fraudulent passport is of a real person, and was obtained through a Google search of the phrase “passport photo female.” In order to transmit the false and fraudulent U.S. passport for DK and fake image of DK’s credit card, a member of the conspiracy created and used an alias Gmail account.

68. Another example is a false and fraudulent passport created in August 2014 in connection with flights booked using a stolen American Express credit card (x3008), including an Air India flight for passenger PD and Qatar Airways flights for passengers SS, TS, and GS. The cardholder of the stolen American Express credit card (x3008) was LA, a real person. Records obtained via an email search warrant included an email from AJ asking another member of the conspiracy to create a fraudulent U.S. passport in the name of LA and a fraudulent image of the stolen American Express credit card (x3008). This fraudulent U.S. passport used the name and PII of LA, but the picture and signature were not authentic. This image can be found via a Google search on the Internet. My investigation has determined that the identification documents are false based on queries of databases maintained by the U.S. Department of State and the various states’ Department of Motor Vehicles (“DMV”). It appears from a preliminary analysis that some of the fraudulent identification documents, including the U.S. passports for DK and

LA, are a composite of different images, including publicly available images that can be found through Google searches. Some of the images have been located based on an analysis of search histories obtained through email search warrants.

Transmission of Illegal Proceeds

69. Illegal proceeds from the conspiracy are transferred by members of the conspiracy from inside the United States to members of the conspiracy who are outside of the United States, including in India. Members of the conspiracy used money transfer services such as MoneyGram and Western Union. This investigation has included a review of records obtained from Western Union and different bank accounts, as well as email search warrant returns. The Western Union records identify senders and recipients of money transfers by name, which I know from my training and experience is verified by Western Union, which requires the sender and recipient to provide identification. The email search warrant returns also include notification emails from MoneyGram and Western Union sent to known members of the conspiracy. Other emails found in the email search warrant returns have attachments of deposit or withdrawal receipts from different financial institutions. Some emails also have images of receipts provided by money transfer services, such as Western Union.

70. SJH, TJH and other members of the conspiracy have used Western Union to send illegal proceeds from the conspiracy and fraud schemes to AJ, SJ and MJ in New Delhi, India. For example, on or about October 25, 2013, SJH sent \$587 each to AJ, MJ and SJ via Western Union. Similarly, on or about August 2, 2013, TJH sent \$687 to MJ in New Delhi, India. On or about December 7, 2013, TJH sent \$620 to AJ in New Delhi, India. From at least May 2012 through November 2013, Western Union records show that another member of the conspiracy regularly sent illegal proceeds from the fraud schemes and in furtherance of the conspiracy to AJ,

MJ, SJ and SJ's husband. For example, on or about October 11, 2013, this individual sent \$565 each to MJ, SJ, AJ and SJ's husband. I believe that these Western Union transfers were illegal proceeds of the fraud schemes and were being used to promote that fraud, by compensating the manager of that fraud.

71. Members of the conspiracy are financially compensated for actions taken in furtherance of the conspiracy and related fraud schemes, such as interacting with customers and holding oneself out as a travel agent in the Travelporrt scheme. According to CI-1, bookings completed by a member of the conspiracy result in that member receiving a commission based on the amount of money collected from that customer under false pretenses. Western Union records show that **CHAUDHRY** has used an alias, IC, to send money to members of the conspiracy who held themselves out as travel agents as part of the Travelporrt scheme and successfully completed transactions, including TJH and SJH. At the time that **CHAUDHRY** was using this alias, IC was deceased. In June and August 2013, **CHAUDHRY** also sent payments via Western Union to an individual in Cameroon with whom AJ had previously communicated about the creation and purchase of false identification documents, including U.S. passports and driver's licenses.

72. Other illegal proceeds from the scheme are transmitted electronically, such as by wire or direct deposit, from bank accounts located in the United States to bank accounts located outside of the United States. Some of the illegal proceeds from the conspiracy and related fraud schemes are being held in overseas accounts in the name of Travelporrt and Trip Arena. Based on my investigation, including a review of a net worth statement prepared for AJ, at least some of these accounts are at ICICI Bank in India and controlled by AJ.

73. Some illegal proceeds from the conspiracy and related fraud schemes are held in the names of third parties, or nominees, but are in fact owned or controlled by members of the conspiracy, such as AJ and **CHAUDHRY**. For example, some of the proceeds from the Virginia Deutche Group scheme were placed in a bank account in the name of Data Never Lost LLC, a corporation owned and controlled by **CHAUDHRY**. Similarly, in 2013, AJ held illegal proceeds from the fraud schemes in bank accounts in the name of shell corporations that were opened by other members of the conspiracy, thereby concealing and disguising his ownership and control. For example, accounts in which illegal proceeds associated with the conspiracy and related frauds included accounts at Congressional Bank and Signal Financial Credit Union in the name of Deutche Group, Inc. Similarly, AJ held illegal proceeds from the conspiracy and related frauds in a BB&T bank account (x2945) in the name of Edelweis Enterprises, Inc.

74. According to CI-1, SJ has also participated in financial transactions in New Delhi, India designed to conceal and disguise the receipt, nature, source, and location of illegal proceeds from the fraud scheme. CI-1 has stated that SJ has arrangements with some local jewelers in New Delhi, India, whereby SJ and the jeweler allow SJ to buy diamonds and pay for them using stolen credit card numbers obtained from members of the conspiracy, including through AJ and MJ. In exchange for accepting the stolen credit cards as payment, the jewelers charge greatly inflated and above-market prices for the diamonds, which appear as an unauthorized charge on the stolen credit card. Emails obtained from an email search warrant of chairman@deutchegroup.com, include messages from AJ to different individuals who appear to be prospective buyers of diamonds offered for sale by SJ. In these emails AJ references prior conversations between the prospective buyers and SJ.

Recent Activity

75. In July 2015, AJ, **CHAUDHRY** and other members of the conspiracy caused the creation of new shell corporations, including Bookeroonie, Inc., Bling Time Pieces, Inc., Luxury Couture, Inc., and Shoe Terminal, Inc. The registered agent for these entities is HR, a real person. As with the Virginia Deutche Group scheme, it is believed that these new shell corporations are being used to apply for and obtain merchant accounts that are being used to make unauthorized charges to stolen credit cards obtained by members of the conspiracy, including AJ and MJ. At least one of the companies has a bank account at Middleburg Bank into which illegal proceeds from the merchant accounts are transferred.

76. On or about July 22, 2015, an employee of the Regus virtual office located at 20130 Lakeview Plaza, Suite 400 in Ashburn, Virginia sent an email to chairman@deutchehospitality.com, stating that he had checks from Middleburg Bank. AJ responded via email that **CHAUDHRY** was going to pick up any mail for these entities or HR. A false and fraudulent U.S. passport and Virginia's driver's license in the name of HR were provided to open the Regus virtual offices for these shell companies. The U.S. passport and driver's license are believed to be false based on a query of DMV and U.S. Department of State databases.

77. According to CI-1, **CHAUDHRY**, AJ, SJ and other members of the conspiracy have purchased and are planning to purchase and/or rent hotels in India and the United States, then list the hotels on different websites, such as hotels.com and agoda.com, in order to make fraudulent bookings through these websites using stolen credit cards.

78. According to CI-1, **CHAUDHRY**, AJ and other members of the conspiracy are in the process of attempting to set up SMC Bank so that it can provide merchant accounts, which

will then be opened and used by members of the conspiracy to make unauthorized charges to stolen credit cards.

CONCLUSION

79. Based on my training and experience, and the information provided in this Affidavit, there is probable cause to believe that on or about the dates set forth above, within the Eastern District of Virginia, **AMIT CHAUDHRY** conspired with others known and known to the investigation to commit money laundering, in violation of Title 18, United States Code, Section 1956(h). Your affiant respectfully requests the Court consider these facts and issue an arrest warrant for **AMIT CHAUDHRY**.



John Rushton, Special Agent
Federal Bureau of Investigation

Sworn to and subscribed before me on this 27th day of August 2015, in Alexandria, Virginia.



Theresa Carroll Buchanan
United States Magistrate Judge

The Honorable Theresa C. Buchanan
UNITED STATES MAGISTRATE JUDGE